

Intergovernmental Water Board

Meeting Minutes

May 11, 2005

Members Present: Patrick Carroll, Dick Winn, Tom Woodruff, and Norm Penner

Members Absent: Bill Scheiderich

Staff Present: Dennis Koellermeier, Tom Imdieke and Twila Willson

Visitors: Tom VanderPlaat and Henrietta Cochrun

1. Call to Order, Roll Call and Introductions

Commissioner Patrick Carroll called the meeting to order at 5:38 p.m.

2. Approval of Minutes – March 9, 2005

Commissioner Dick Winn motioned to approve the minutes, Commissioner Patrick Carroll seconded the motion, and the vote was unanimous to approve the March 9, 2005, minutes.

Introductions were made of the new board member, Commissioner Tom Woodruff, the council representative from the City of Tigard.

3. Tualatin River Integrated Water Resource Plan (Hagg Lake Dam Raise) – Tom VanderPlaat

Dennis Koellermeier introduced Tom VanderPlaat, the Clean Water Services representative in charge of the Hagg Lake Dam Raise Project, and explained that the timing of the project is such that a decision needs to be made about re-upping Tigard's involvement in the project. This is Tigard's fourth year working on the project.

Mr. VanderPlaat made a PowerPoint presentation and explained the various options that are being examined; staff distributed a printed copy of the presentation. Highlights of the presentation included the following points:

- Alternative options to the 40 ft. dam raise did not look favorable
- The Scoggins Dam raise still appears to be the best project
- Water level change has minimal impact
- Perimeter road for bikes would need to be relocated and so would recreational facilities, i.e., boat ramps, picnic facilities, etc.
- Dam raise project would be connected with the refill improvements to create reliability of refill, such as a raw water pipeline-pump back during winter months and/or Sain Creek Tunnel
- Spring Hill Pumping Station is divided into two sections operated by Clean Water Services (CWS) and Tualatin Valley Irrigation. Tualatin Valley Irrigation only uses

their pumps during the summer months and it may be proposed to use their pumps during the winter months for pump back as an option

- Tunnel alternative study shows that it will not fill the lake to adequate levels
- Preferred proposal is the 40 ft. raise of Scoggins Dam with the raw water pipeline pump back
- \$200m price to build the dam
- Tigard is now 19-20% owner on that. 20mgd, piping to Tigard extra. Tigard's total cost \$100-180m. Most expensive option for Tigard.
- Third amendment will be \$500,000 more for Tigard
- Some of the smaller partners (Sherwood) are starting to talk about stepping out of the project
- The partner involvement will determine the cost for the remaining partners

Mr. Koellermeier was unsure how to advise the board to proceed. He stated that Tigard was starting to gain assets in the pipeline project. Portland cannot be considered a reliable water source from past experience. Taking water in bits and pieces from multiple sources would also be expensive.

The board discussed the Willamette River as an option and the fact that public acceptance would be critical. Tigard could comfortably have Willamette River water in three years time.

Tigard's 20% partnership with the JWC dam raise would provide a 50 year need. Willamette River would also satisfy the 50 year need however the Willamette River would be considerably less expensive.

Mr. Koellermeier stated that a decision would need to be made in the near future about recommitting Tigard's involvement for another two years in this project.

4. *Regional Water Consortium Plan Update, Board Recommendations*

Mr. Koellermeier gave a brief overview as follow-up from the Regional Water Consortium Plan presentation that Lorna Stickel made to the board several months ago. He reminded them that each member of the consortium must vote on the amendment. He noted that there still remains to be ownership challenges and pipeline issues; however, adequate water is available. Staff recommendation was to approve the amendment.

Commissioner Dick Winn motioned to approve the amendment, Commissioner Norm Penner seconded the motion and the board voted unanimous to approve.

5. *Water Rate Increase Discussion*

Tom Imdieke, Acting Finance Director opened the water rate increase discussion with an update of the water rate model. He distributed a handout of his PowerPoint presentation.

Water rate increases were changed several years ago to take place in October, following the heavier summer peak periods and making it easier for water customers to handle.

The original model called for higher percentages of rate increases, but by making water line upgrades at the same time that capital improvement projects for street improvements are made (i.e., Gaarde St.), the money will be more wisely used.

The newly revised rate model increases would not have the dramatic changes in increases and percentage drops that the previous model had. It would be more consistent, but with lower percentage rate changes, thus creating a smoother arc for increased rates and is considered good political thinking/strategy.

Staff Recommendations are to approve the three year package of 7% increases per year. The Public Works Department has made budget recommendations to the Tigard City Council with assumptions for approval of the 7% rate increase included in those budget recommendations; however the budget proposals could be changed.

Commissioner Dick Winn motioned to approve the 7% proposed rate increase, Commissioner Norm Penner seconded the motion, and the vote was unanimous to accept the motion.

6. Long Term Water Supply Update – Dennis Koellermeier

Mr. Koellermeier stated he would be able to go public very soon on the Portland contract. The City of Portland is trying to negotiate the cryptosporidium issue and their mayor is trying to get Portland classified as exempt. The professional manager's group representatives from the wholesale agencies have let it be known they do not agree with Portland's view and Mr. Koellermeier does not think the EPA will agree to the exemption.

The Lake Oswego negotiation issues have been heard by their city council. Their growth issues and water needs for the future have been looked at and it was shown by staff that they have what they need, in fact, more than they need. Their water rights will not all be used and this move would help Tigard and Lake Oswego. The infrastructure currently is set to deliver 9mgd. Pipeline improvements are being reviewed.

Mr. Koellermeier announced Richard Sattler's resignation as the Water Quality and Supply Supervisor; he will be working with the City of Hillsboro. Tigard will need to move for replacement of his duties quickly as summer is historically the busiest time.

7. Informational Items – Dennis Koellermeier

Nothing additional was presented.

8. Public Comments

Henrietta Cochrun made it known that she was in favor of using the Willamette River and Wilsonville water.

9. Non Agenda Items

10. Next Meeting - Wednesday, June 8, 2005, 5:30 p.m. – Water Auditorium

11. Adjournment – Approximate Time 7:00 p.m.

The meeting adjourned at 7:30 p.m.